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DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-835]

Rubber Bands from Thailand: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that rubber bands from Thailand are being, or are likely to be, sold in the United States at less than fair value (LTFV) during the period of investigation (POI) January 1, 2017, through December 31, 2017.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita or Stephanie Berger, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4243 or (202) 482-2483, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 6, 2018, Commerce published the *Preliminary Determination* of sales at LTFV of rubber bands from Thailand.¹ A complete summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues

¹ See *Rubber Bands From Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 83 FR 45220 (September 6, 2018) (*Preliminary Determination*) and accompanying memorandum, “Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Rubber Bands from Thailand” (Preliminary Decision Memorandum).

raised by parties for this final determination, may be found in the Issues and Decision Memorandum.²

The Issues and Decision Memorandum is a public document and is available electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). Access is available to registered users at <https://access.trade.gov> and to all parties in the Central Records Unit, Room B-8024 of Commerce's main building. In addition, a complete version of the Issues and Decision Memorandum can be accessed at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and electronic version are identical in content.

Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 29, 2019.³ If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the final determination of this investigation is now February 28, 2019.

Period of Investigation

The POI is January 1, 2017, through December 31, 2017.

Scope of the Investigation

The products covered by this investigation are rubber bands from Thailand. For a full description of the scope of this investigation, *see* the "Scope of the Investigation" in Appendix I of this notice.

² See Memorandum, "Issues and Decision Memorandum for Final Affirmative Determination in the Antidumping Duty Investigation of Rubber Bands from Thailand," dated concurrently with this determination and hereby adopted by this notice (Issues and Decision Memorandum).

³ See Memorandum, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

Scope Comments

During the course of this investigation and the concurrent countervailing duty (CVD) investigation, Commerce received scope comments from interested parties. Certain interested parties commented on the scope of the investigation as it appeared in the Preliminary Scope Decision Memorandum,⁴ which was issued concurrently with the *Preliminary Determination*. Commerce addressed all scope comments received in the Final Scope Decision Memorandum and determined not to make changes to the scope that appeared in the *Preliminary Determination*.⁵

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), Commerce verified the sales and cost data reported by U. Yong Industry Co., Ltd. (U. Yong), as well as data reported by Liang Hah Heng International Rubber Co., Ltd. (Liang Hah Heng) and Hah Shung Heng Co. (Hah Shung Heng) (collectively, Liang Hah Heng) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by the respondents.

Analysis of Comments Received

All issues raised in the case briefs and rebuttal briefs submitted by interested parties in this proceeding are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum is attached at Appendix II.

⁴ See Memorandum “Rubber Bands from the People’s Republic of China and Thailand: Scope Comments Decision Memorandum for the Preliminary Antidumping Duty and Countervailing Duty Determinations,” dated August 29, 2018 (Preliminary Scope Decision Memorandum).

⁵ See Memorandum, “Rubber Bands from the People’s Republic of China and Thailand: Scope Decision Memorandum for the Final Antidumping Duty and Countervailing Duty Determinations,” dated November 13, 2018 (Final Scope Decision Memorandum).

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for U. Yong and Liang Hah Heng since the *Preliminary Determination*. For a discussion of these changes, see the “Margin Calculations” section of the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all-other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for individually investigated exporters and producers, excluding any margins that are zero or *de minimis* or any margins determined entirely under section 776 of the Act. U. Yong is the only respondent for which Commerce calculated an estimated weighted-average dumping margin that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, for purposes of determining the “all-others” rate, and pursuant to section 735(c)(5)(A) of the Act, we are using the estimated weighted-average dumping margin calculated for U. Yong, as referenced in the “Final Determination” section below.

Final Determination

The weighted-average dumping margins are as follows:

Exporter/Producer	Weighted-Average Margins (percent)
U. Yong Industry Co., Ltd.	5.87
Liang Hah Heng International Rubber Co., Ltd./Hah Shung Heng Co.	0.00
All-Others	5.87

Consistent with section 735(a)(4) of the Act, based on the zero rate for Liang Hah Heng and Hah Shung Heng, Commerce determines that Liang Hah Heng and Hah Shung Heng have not sold merchandise which they produced and exported at LTFV.

Disclosure

We will disclose the calculations performed within five days of any public announcement of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue the suspension of liquidation of all appropriate entries of rubber bands from Thailand, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after September 6, 2018, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*.

Further, Commerce will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above. Because the estimated weighted-average dumping margin for Liang Hah Heng and Hah Shung Heng is zero, entries of shipments of subject merchandise both produced by Liang Hah Heng or Hah Shung Heng and exported by either of these companies will not be subject to suspension of liquidation or cash deposit requirements. In such situations, Commerce applies the exclusion to the provisional measures to the producer/exporter combination that was examined in the investigation.

Accordingly, Commerce is directing CBP to not suspend merchandise produced by Liang Hah Heng or Hah Shung Heng and exported by either of these companies. However, entries of subject merchandise in any other producer/exporter combination, *e.g.*, merchandise produced by a third party and exported by Liang Hah Heng or Hah Shung Heng, or produced by Liang Hah

Heng or Hah Shung Heng and exported by a third party, are subject to the cash deposit requirements at the all-others rate.

Furthermore, other than for entries of subject merchandise produced by Liang Hah Heng or Hah Shung Heng and exported by either of these companies, pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) The cash deposit rate for the respondents listed above will be equal to the respondent-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a respondent identified above but the producer is, then the cash deposit rate will be equal to the respondent-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports, or sales (or the likelihood of sales) for importation of rubber bands from Thailand no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the

subject merchandise, other than those produced by Liang Hah Heng or Hah Shung Heng and exported by either of these companies because their rate is zero, entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

Notification to Interested Parties

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act and 19 CFR 351.210(c).

Dated: February 28, 2019.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The products subject to this investigation are bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (e.g., a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation, vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product.

Excluded from the scope of this investigation are vulcanized rubber bands of various sizes with arrow shaped rubber protrusions from the outer diameter that exceeds at the anchor point a wall thickness of 0.125 inches and where the protrusion is used to loop around, secure and lock in place.

Excluded from the scope of this investigation are yarn/fabric-covered vulcanized rubber hair bands, regardless of size.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Changes Since the Preliminary Determination
- V. Discussion of the Issues

- Comment 1: Adverse Facts Available for Liang Hah Heng
- Comment 2: Collapsing of Liang Hah Heng and Hah Shung Heng
- Comment 3: Date of Sale for Liang Hah Heng
- Comment 4: Liang Hah Heng's Packing Costs Allocation
- Comment 5: Liang Hah Heng's Reported Costs
- Comment 6: G&A Expenses for Liang Hah Heng
- Comment 7: Commerce's Application of Quarterly Cost Methodology to U. Yong
- Comment 8: Rubber Band Variance Allocation for U. Yong
- Comment 9: Monthly Adjustment to Standard Costs for U. Yong
- Comment 10: Appropriate CONNUM for Rubber Bands of Mixed Sizes for U. Yong
- Comment 11: U. Yong's U.S. Indirect Selling Expenses

- VI. Recommendation

[FR Doc. 2019-04127 Filed: 3/6/2019 8:45 am; Publication Date: 3/7/2019]